

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

November 1, 2010

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS FOR A
SOLE SOURCE AGREEMENT WITH VERIZON BUSINESS FOR THE
ACCESS CALL CENTER TRANSFORMATION PROJECT**

This is to advise your Board that the Department of Mental Health (DMH) intends to enter into negotiations for a sole source agreement identified as an "Authorization to Order Under State Contract" (ATO) with Verizon Business (Verizon) under the State of California's (State) California Integrated Information Network Master Service Agreement 3, also known as CALNET II MSA 3, to procure telephone and call center system services to replace the existing obsolete telephone and call center systems for DMH ACCESS Call Center (ACCESS).

This purchase requires a waiver from the County Chief Information Office (CIO) for a portion of the County's standard of Cisco Systems (Cisco) Voice-over-Internet-Protocol (VoIP) telephone system and Cisco call center software, both hosted by the Internal Services Department – Information Technology Services (ISD-ITS). The signed waiver request is attached. (Attachment I)

BACKGROUND

ACCESS is a gateway to mental health services in the County of Los Angeles (County). It provides a 24/7 toll free number for mental health emergency assistance and for obtaining information about available mental health services and resources. In the past, your Board has expressed concerns about dropped calls at ACCESS. The existing telephone system and call center system do not meet ACCESS needs, but it has been, while deficient, relatively stable over the past several years. The situation recently began to deteriorate with a series of downtime events that have made what was an important project an urgent project. The current phone and call center systems were implemented over ten (10) years ago; the ACCESS Call Center Transformation Project (ACCTP) was initiated over two (2) years ago in order to specify, acquire and implement a new telephone system and call center system for ACCESS.

"To Enrich Lives Through Effective And Caring Service"

JUSTIFICATION

DMH used Mental Health Services Act (MHSA) funds to engage a highly qualified consultant with expertise in human services call center processes and technology to analyze the goals of the ACCTP and the needs of ACCESS to make recommendations to transform ACCESS into a responsive and reliable call center that meets the needs of DMH and the residents of the County. Goals for the ACCTP include improved response time to telephone calls, ability to capture calls, requests for services, and dispatch of mobile teams; capacity to record and audit calls to ensure quality customer service; capacity to track clients navigating the mental health system of care; up-to-date resource information through electronic data base applications; 24/7 availability to MHSA Full Service Partnership (FSP) programs; improved management of Field Response Operations (FRO); and enhanced utilization management of institutional and residential resources available under Countywide Resource Management.

The independent consultant conducted a comparative analysis of five (5) options for replacing the existing systems. After a very careful evaluation process, including considerable engagement with ISD-ITS, the consultant recommended that, given the exceptional criticality of the services provided by ACCESS, DMH procure a single-vendor combined telephone and call center systems offered by Verizon and available under CALNET II MSA 3. Verizon services available under CALNET II MSA 3 are the result of a competitive bid process conducted by the State for services consistent with what is needed for ACCTP. DMH agrees with the consultant's criticality assessment and recommendation for the reasons specified in the attached waiver request, and therefore, DMH requests to enter into negotiations for a sole source agreement with Verizon.

DMH will replace the current failing telephone and call center systems with a highly reliable solution that can be implemented in less than a year at savings of approximately \$365,000 over five (5) years compared to a County owned and operated system. CALNET II allows State and non-State agencies to take advantage of the favorable pricing negotiated by the State with Verizon. Verizon has provided its fully hosted call center system to government agencies throughout the State for more than two (2) years. It is a proven and highly regarded combined telephone and call center system.

Consultant's comparative analysis and recommendations were extensively reviewed with ISD-ITS and the CIO. ISD-ITS has worked collaboratively with DMH throughout the process of identifying the technical and business requirements necessary to replace the failing ACCESS systems and evaluating our options. They were very forthcoming in providing accurate information to DMH regarding what they could deliver with

confidence. This has been enormously helpful to DMH in making an informed business decision about how best to support significantly improved operations at ACCESS. While ISD has not expressed an opinion regarding the Verizon technology as its staff has no hands-on experience with the solution, they have expressed an interest in remaining involved in the project.

Given the criticality of the services at ACCESS and the urgency introduced by recent failures of the existing telephone system at ACCESS, DMH management determined the vendor-hosted Verizon solution as the more prudent approach under the circumstances.

Under the terms of CALNET II, Verizon is required to take responsibility for all aspects of the call center systems. Verizon's multiple data backup centers across the country and their hosted solution will provide a reliable system.

ACCESS is central to DMH's success under MHSA as it serves as a key gateway to services available throughout the County in addition to its role in providing emergency services. Verizon offers a service level agreement and indicates a willingness to commit to the County's high standard of requirements. This new system will be a quantum level improvement over current operations.

TERM

The term of the service agreement is a two-year commitment from the effective date of the ATO provided that such commitment does not extend beyond the term of the CALNET II MSA 3, including any extension periods. In the interim of the two-year commitment period, County may cancel services with a 30-calendar-day written advance notice should ISD-ITS provide a fully-hosted solution that would meet the business requirements of ACCESS. The current CALNET II agreement is slated to expire on January 31, 2012. The State is in the process of extending the term through January 31, 2014. Upon execution of the ATO, Verizon can order the selected products and services from the CALNET II MSA 3.

Verizon has provided DMH a written notice waiving the exclusivity clause, allowing the 30-day written notification to terminate without penalty. (Attachment II).

NOTIFICATION TIMELINE

Unless otherwise directed by a Board office within two (2) weeks from the date of this notification, DMH will proceed to negotiate said ATO with Verizon under the State of

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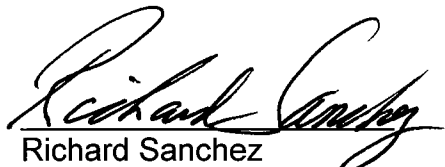
If you have any questions or need additional information, please contact me at (213) 738-4601, or your staff may contact Robert Greenless, Ph.D., DMH Chief Information Officer, at (213) 251-6481.

MJS:RK:MM:RG

Attachments (2)

c: Executive Officer, Board of Supervisors
County Counsel
Chief Executive Officer
Director, Internal Services Department
Robert Greenless, Ph.D.
Henry Balta, Associate CIO
Margo Morales

NOTED AND APPROVED:


Richard Sanchez
Chief Information Officer

11-3-2010
Date

COUNTY OF LOS ANGELES

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550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

July 28, 2010

TO: Richard Sanchez
Chief Information Officer

FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **REQUEST FOR WAIVER FROM A PORTION OF COUNTY
TELECOMMUNICATIONS**

This is to request a waiver from you to allow the Department of Mental Health (DMH) to depart from a portion of the County standards for telecommunications. DMH must replace its very much obsolete and failing telephone and call center systems at its ACCESS Call Center (ACCESS). It is DMH's strong preference, based upon the recommendation of a highly qualified consultant, to execute an "Authorization to Order Under State Contract" (ATO) with the State of California's, California Integrated Information Network (CALNET II) Master Service Agreement 3 (MSA 3) with Verizon Business (Verizon), to replace the telephone and call center systems for the DMH ACCESS.

BACKGROUND

ACCESS is a gateway to mental health services in the County. It provides a 24/7 toll free number for mental health emergency assistance and for obtaining information about available mental health services and resources. In the past, the Board has expressed concerns about dropped calls at ACCESS. The continuing deterioration of the current system has exacerbated that problem; making what was an important project an urgent project.

DMH used Mental Health Services Act funds to engage a consultant with expertise in human services call center processes and technology to analyze ACCESS needs and make recommendations to transform ACCESS into a responsive and reliable call center that meets the needs of DMH and the residents of the County of Los Angeles. The independent consultant conducted a comparative analysis of five options for replacing the existing systems. As we are replacing a legacy PBX telephone system, the consultant's recommendation was to implement a Voice-over-Internet-Protocol (VoIP) telephone system, which is consistent with the County standard.

This waiver request is specific to the VoIP and call center systems recommended by the consultant. The County standard specifies Cisco Systems (Cisco) VoIP and call center solutions provided through the County's Internal Services Department, Information Technology Services (ISD-ITS). After a very careful evaluation process, including considerable engagement with ISD-ITS, the consultant recommended that, given the exceptional criticality of the services provided by ACCESS, DMH procure a single-vendor combined telephone and call center solution offered by Verizon and available under CALNET II. DMH agrees with the consultant's criticality assessment and recommendation for the following reasons:

1. The combined Verizon/Genesys call center solution is widely considered the most comprehensive call center solution by industry experts and is in the Leader Quadrant of the most recent Gartner Call Center Infrastructure Magic Quadrant. While the Cisco solution has a similar listed feature set, Verizon's features are easier to use. Moving call control (and calls) between the various devices such as messaging servers and Interactive Voice Response is less complex, which in turn makes the reporting less complex. This ease of use supports the needs of ACCESS by allowing staff to facilitate call handling and reporting quickly and with little or no outside assistance. This ability to rapidly adapt to changing circumstances could possibly save a life.
2. Of the options examined by the consultant, only CALNET II Verizon option eliminates the need to purchase a VoIP telephone system that is installed and maintained at the customer site. Since the future of ACCESS at its current location is still in question, having a telephone system that is independent of location has advantages for ACCESS. The fully hosted Verizon solution, which includes the phone and call center systems as well as the carrier services, provides a unique single vendor solution, all located at Verizon where it is monitored and supported 24/7.
3. When the dial tone and phone and call center systems are all in one place, multiple vendor coordination is not necessary. Verizon provides both local dial tone and long distance service for a flat monthly charge, which includes toll free traffic. Whereas, under AT&T, local dial tone and long distance services are separate agreements. Troubleshooting ISD-ITS/Cisco solution can require both AT&T and the Cisco vendor to test issues together to identify the source of a technical problem.
4. The ISD-ITS/Cisco solution requires DMH to purchase hardware, installation services and other required services. The one-time up-front cost to implement the ISD-ITS/Cisco solution is estimated at \$610,000. The up-front costs of the Verizon

hosted solution are estimated at \$165,000. In a difficult budget year, this is a difference that makes a difference.

5. The Verizon hosted telephone and call center solution provides very high reliability and excellent business continuity/disaster recovery capabilities. Verizon has multiple data centers located across the United States. Their quantity and distance separation mitigates the impact of regional disasters. These centers house many customers and are carefully monitored by trained personnel at all times. Failover from one center to another is essentially unnoticeable with hosted Verizon services. Cisco uses a re-registration process that can take from 90 seconds to five minutes to restore phones. Even though failover transfer between data centers takes only seconds, the re-registration processes one phone at a time. With Verizon, the phones typically experience no more than a five second interruption of service due to dual registration with Session Initiation Protocol, which is extremely important in a high risk call center like ACCESS.
6. Under Verizon's single vendor offering, ACCESS will only need to interact with Verizon for the telephone and call center solutions. This eliminates the possibility of finger pointing common in multi-vendor solutions. With the ISD-ITS/Cisco solution, ISD-ITS, Cisco (or the Cisco re-seller), and AT&T might all be involved in problem resolution. All of the support requests go through ISD-ITS, which is facing the same staffing challenges as all County departments in these difficult economic times. With Verizon, it is one-call-and-done to initiate support activity. With ISD-ITS, the first call initiates another call and places ACCESS at least once removed from direct access to needed support. Given the criticality of ACCESS services, direct access to one source of support is seen as essential to timely problem resolution.
7. The CALNET II contract offers the most cost-effective, fixed-price solution currently available to DMH. ISD-ITS/Cisco solution pricing is based on their costs plus a markup to cover their overhead; it is more difficult to predict costs under this model. In addition, the solution requires a larger up-front capital investment, as mentioned earlier.
8. The single-vendor Verizon solution, per Verizon, can be implemented in about four months. The solutions offered by ISD-ITS or a combination of ISD-ITS and AT&T, per estimates by ISD-ITS, will take approximately 12 months to implement. Since the current system is failing; that too is a difference that makes a difference.

Verizon claims they could, if necessary, do an accelerated go-live in 30 days since all of the equipment and services are in place except the network connection. While the more thoughtful four-month implementation is the preferred approach, it is nice to

have the accelerated implementation option available should the existing system fail completely. The current Nortel system is obsolete and failing frequently. It is also costly to repair. Because the Nortel system is a multi-vendor environment, it has many potential failure points and it is often difficult for the technicians to isolate the source of trouble. This contributes to the frequency and duration of downtime and is part of the reason DMH wishes to avoid a multi-vendor solution for replacing the Nortel system.

9. Through the CALNET II Verizon option, DMH will realize a five-year savings of approximately \$365,000 over the ISD-ITS/Cisco brokered solution for equipment, services and personnel.

We have reviewed the consultant's recommendations with Tony Beliz, Ph.D., Deputy Director for Emergency Outreach Bureau. Dr. Beliz and his management team are directly responsible for ACCESS and have a very strong preference for the single-vendor, hosted solution offered by Verizon. Cost, time to implementation, functionality, and having a single point of contact for technical problems related to telephones and the call center system were the drivers for their preference.

Verizon has provided its fully-hosted call center solution to government agencies throughout the State for over two years. It is a proven solution. Under the terms of CALNET II, Verizon is required to take full responsibility for all aspects of the telephone and call center systems. Verizon's multiple data backup centers across the country and the hosted solution will be considerably more reliable than our environment today. When lives can be at stake, this is enormously important to DMH.

TERM

The term of the ATO is two years from the effective date of the ATO provided that such commitment does not extend beyond the term of the CALNET II MSA 3, including any extension periods. Upon the expiration of the two-year commitment period, County may cancel services with a 30 calendar day written advance notice should ISD-ITS provide a fully-hosted solution that would meet the business requirements of ACCESS. The current CALNET II agreement is slated to expire on January 31, 2012. Upon execution of the ATO agreement, Verizon can order the selected products and services from the CALNET II MSA 3.

Richard Sanchez
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WAIVER

If the waiver is granted, DMH will:

- Send a notice of our intentions to enter into an agreement with Verizon through CALNET II to the Board of Supervisors
- Negotiate an agreement with Verizon
- Submit the Verizon agreement to the Board for approval

If you are willing to grant the requested waiver and permit DMH to pursue the Verizon solution via CALNET II, please sign below and return to Robert Greenless, Ph.D., DMH Chief Information Officer, at rgreenless@dmh.lacounty.gov.

If you have any questions or need additional information, you or your staff may contact Robert Greenless at (213) 251-6481.

MJS:MM:RK:RG

c: Henry Balta, CIO
Director, Internal Services Department

NOTED AND APPROVED:


Richard Sanchez
Chief Information Officer


Date



11080 White Rock Road
Suite 200
Rancho Cordova, CA 95670

September 8, 2010

Robert Greenless, CIO
Chief Information Office Bureau
County of Los Angeles
Department of Mental Health
695 So. Vermont Avenue, 7th Floor
Los Angeles, California 90005

Dear Mr. Greenless,

Verizon Business has waived the exclusivity clause of two years that is mentioned in the Authorization to Order document regarding the CALNET II MSA-3 with Verizon for the County of Los Angeles Department of Mental Health ACCESS Call Center Transformation Project.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian May", written over the printed name.

Brian May
CALNET2 PMO/ Regional Sales Manager VZB
(916) 779-1271 office
(916) 203-1099 cell
(916) 779-1350 fax
Brian.k.may@verizonbusiness.com